

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 251 – SB 408

March 20, 2013

**SUMMARY OF ORIGINAL BILL:** Changes the boundary line between Davidson and Wilson Counties in a manner as to detach 0.225999 square miles from Davidson County and to attach such properties to Wilson County.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease Local Revenue – Net Impact - \$14,300

**SUMMARY OF AMENDMENT (004871):** Deletes all language after the enacting clause. Changes the boundary line between Davidson and Wilson Counties to include within Wilson County all territory as described in the bill as amended.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Comptroller of the Treasury (COT), this bill will not fiscally impact the Division of Property Assessments with the Agency.
- According to COT, moving this boundary will result in a decrease in property tax revenue collected by Davidson County, while increasing property tax revenue collected by Wilson County.
- According to COT, the current value for all impacted parcels in Davidson County is \$3,884,844. All parcels have a classification rate of 25 percent and the current tax rate is \$4.04 per \$100 of value (or 0.0404). As a result, the recurring decrease in property tax revenue to Davidson County will be \$39,237 [(\$3,884,884 x 25%) x 0.0404].
- Property values for specified parcels remain constant.
- According to COT, the Wilson County property tax rate is \$2.5704 per \$100 of value (or 0.025704). As a result, the recurring increase in property tax revenue to Wilson County will be \$24,964 [(\$3,884,884 x 25%) x 0.025704].
- The net recurring decrease in local revenue is estimated to be \$14,273 (\$39,237 decrease to Davidson - \$24,964 increase to Wilson).

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jrh